

## Medicare Supplements and Medicare Advantage Plans: Choose Wisely.....Your Health Depends On It.

It is important to choose wisely and make an informed decision when it comes to purchasing health care coverage. This can be a confusing process. Not only are there several policies to choose from, there are also different types of policies available for purchase. There are “traditional” Medicare Supplemental policies which include Medicare Select, and HMO Medicare Supplements. These plans are regulated by the State Insurance Commissioner’s office. Other types of health insurance plans include group coverage such as employer-sponsored health and retiree plans. One of the more recent options are Medicare Plus Choice Plans, which is now called Medicare Advantage. In Wisconsin, these are federal Medicare managed care health plans (also called Medicare HMO’s) and federal Medicare Private Fee for Service health plans (PFFS). The Medicare health plans are governed by the federal government.

A Medicare Advantage plan is different from traditional Medicare supplements that many people are familiar with. A beneficiary who is covered by a Medicare Advantage plan receives all of his or her Medicare covered services through the private Medicare health plan he or she purchases, not through the traditional Part A and Part B federal Medicare program. The premiums for a Medicare Advantage Plan are often less expensive than traditional Medicare supplements. However, there can be more out-of-pocket expenses for a beneficiary with Medicare Advantage coverage than for a beneficiary covered by Medicare Part A and B and a traditional Medicare supplemental policy.

There may be limits on the annual out-of-pocket expenses in a Medicare Advantage plan, but this cost can potentially be higher than the purchase price of other types of health coverage plans. For Medicare Advantage plans that are approved for sale in Wisconsin, out-of-pocket annual caps range from \$500 per year to \$5,000 per year, and one plan has no out-of-pocket annual limit.

When covered by a Medicare Advantage plan, there may be limited access to some providers. Participation under the traditional Part A and B of the federal Medicare program is transitioned to the selected Medicare Advantage plan. Providers may accept or reject a card from any Private Fee For Service Medicare Advantage Plan. Therefore, it is important to choose wisely and gather information before purchasing a policy or before dropping coverage under a current health plan. It is in your best interest to know what you are choosing and to base your decision on a correct understanding of the facts. Your health may depend on it.

For further information about choosing a Medigap policy or for more information about Medicare Advantage Plans, please call the Medigap Helpline at 1-800-362-1060 or at 608-246-7017.